

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of FRC, LLC, for a Certificate of Public Convenience and Necessity to Provide Local Exchange and Exchange Access Services throughout the State of South Carolina and Request for Flexible Regulation

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2008 - 49 - C

(Please type or print)

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition☐ Request for item to be placed on Commission's Agenda expeditiously☒ Other: Amended Verified Testimony of W. Grey Humphrey, Jr.

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)			
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request	
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification	
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation	
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement	
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment	
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter	
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response	
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery	
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition	
<input checked="" type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation	
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena	
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff	
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Oder	<input checked="" type="checkbox"/> Other: Amended Verified	
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	Testimony	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit		
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report		

Print Form

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BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Docket No. 2008-49-C

Application of FRC, LLC, for a Certificate of Public)
Convenience and Necessity to Provide Local Exchange)
and Exchange Access Services throughout the State of South)
Carolina and Request for Flexible Regulation)

AMENDED VERIFIED DIRECT TESTIMONY OF

W. GREY HUMPHREY, JR.

ON BEHALF OF FRC, LLC

May 1, 2008

1 **Q: Please state your name and business address.**

2 A: My name is W. Grey Humphrey, Jr., and my business address is 1500 Hampton Street,
3 Suite 103, South Carolina 29201.

4
5 **Q: By whom are you employed and what is your position?**

6 A: I am President of PalmettoNet, Inc., which is the General Manager of FRC, LLC.

7
8 **Q: Please briefly state your education, training, and experience in the**
9 **telecommunications industry.**

10 A: I hold a Bachelor's degree in Administrative Management from Clemson University and
11 a Master's in Business Administration from the University of South Carolina. I have
12 more than 23 years of experience in the telecommunications industry. My
13 responsibilities have included sales, marketing, network operations maintenance, network
14 operations center, provisioning, installations, engineering, business development, mergers
15 and acquisitions, project management, and facilities. I previously served as the Chief
16 Operating Officer for Spirit Telecom, which is headquartered in Columbia, South
17 Carolina. I joined Spirit in 1998 as its General Manager and then took on the role of
18 Executive Vice President of Sales and Marketing. Prior to joining Spirit, I worked for
19 TSI, SouthernNet, Telecom USA, and MCI. During my tenure at MCI, I was responsible
20 for revenues of more than \$25 million annually, and was named Senior National
21 Accounts Manager.

22

23

1 **Q: Have you ever testified before this Commission in other proceedings?**

2 A: No.

3

4 **Q: On whose behalf are you testifying in this proceeding?**

5 A: I am testifying on behalf of FRC, LLC.

6

7 **Q: What is the purpose of your testimony in this proceeding?**

8 A: The purpose of my testimony is to describe the filing made by FRC in its application for
9 a Certificate of Public Convenience and Necessity to provide local exchange and
10 exchange access services throughout the State of South Carolina and request for flexible
11 regulation, and to demonstrate that FRC possesses sufficient technical, financial, and
12 managerial resources to provide local exchange telecommunications services within the
13 State of South Carolina.

14

15 **Q: Please describe the authority that FRC seeks from the Commission and the types of**
16 **services that FRC will offer in South Carolina.**

17 A: FRC is requesting authority to provide competitive intrastate resold and facilities-based
18 local exchange and exchange access telecommunications services to residential and
19 business customers throughout the State of South Carolina. FRC will not offer switched
20 access services at this time but may introduce such services at a later date. The initial
21 services FRC proposes to offer under this authority include private line and special access
22 services. Bandwidths for private line and special access will range from 4 Mbps to 10
23 Gbps, plus SONET-based bandwidths ranging from T1 to OC-192. FRC will use its own

1 facilities or a combination of its own facilities and those of other carriers to provide
2 service. Service will be available on a contract basis only for specified time periods.
3 FRC will offer its services 24 hours a day, 7 days a week.
4

5 **Q: In what areas is FRC proposing to serve?**

6 A: FRC proposes to offer services throughout the entire State and is, therefore, seeking
7 statewide approval of its application. FRC is willing to abide by the conditions previously
8 established by the Commission before a competitive local exchange carrier may provide
9 such services within the service area of a rural incumbent local exchange carrier.
10

11 **Q: Please explain why it is in the public interest to approve this application.**

12 A: Approval of FRC's application is in the public interest because FRC will enhance
13 competition in the State of South Carolina by offering additional service options and high-
14 quality service to benefit South Carolina telecommunications users. FRC's entry into the
15 South Carolina market will also provide an efficient use of existing telecommunications
16 resources. FRC will meet all service standards that the South Carolina Public Service
17 Commission may adopt, and provision of the service will not adversely impact the
18 availability of affordable local exchange service in the State. FRC will participate in the
19 support of universally available telephone service at affordable rates, to the extent it may be
20 required to do so.
21
22

1 **Q: Does FRC have the financial capabilities to operate as a competitive local exchange**
2 **carrier?**

3 A: Yes. FRC has attached to its application as Confidential Exhibit C detailed information
4 regarding the financial position of the company.

6 **Q: Does FRC possess sufficient managerial qualifications and resources to provide the**
7 **service for which it requests authority?**

8 A: Yes. As shown in FRC's Exhibit B to its application, FRC has a team of managers and
9 personnel who possess a tremendous amount of experience within the
10 telecommunications industry. FRC will conduct its operations through its manager,
11 PalmettoNet, which is also one of its two members. PalmettoNet has been authorized to
12 provide telecommunications services in South Carolina since 1985.

14 **Q: Does FRC possess the technical expertise to operate as competitive local exchange**
15 **carrier?**

16 A: Yes. FRC is already authorized to provide telecommunications services in South
17 Carolina, Georgia, and North Carolina. Its members are also certificated in other states:
18 PalmettoNet is authorized to provide telecommunications services in South Carolina and
19 Georgia, and SCI is authorized to provide telecommunications services in South
20 Carolina, Georgia, and North Carolina.

1 **Q: Will FRC comply with the rules and regulations of the South Carolina Public**
2 **Service Commission?**

3 A: Yes. FRC will comply with all applicable rules and regulations. In addition, FRC will
4 provide service pursuant to the rules, regulations, rates, and other terms and conditions as
5 set out in an approved tariff.

6
7 **Q: Is FRC requesting any regulatory relief or waivers for the purpose of this**
8 **application?**

9 A: Yes. FRC requests that the Commission continue in effect all waivers previously granted in
10 Order No. 2006-469 in Docket No. 2006-42-C. FRC also requests a waiver of any rule or
11 requirement to publish and distribute local exchange directories and, further, that the
12 Commission regulate any local exchange telecommunications services it may provide in
13 accordance with the principles and procedures established for flexible regulation in Order
14 No. 98-165 in Docket No. 97-467-C.

15

16 **Q: Does this conclude your testimony?**

17 A: Yes.


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Docket No. 2008-49-C

Application of FRC, LLC, for a Certificate of Public
Convenience and Necessity to Provide Local Exchange
and Exchange Access Services throughout the State of South
Carolina and Request for Flexible Regulation

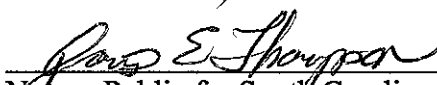
VERIFICATION

I, W. GREY HUMPHREY, JR., first being duly sworn, depose and say that I am President of PalmettoNet, Inc., which is the General Manager of FRC, LLC; that I have read the foregoing amended pre-filed testimony and know the contents thereof; and that said contents are true.


W. Grey Humphrey, Jr.

SWORN to before me this

1st day of MAY, 2008


Notary Public for South Carolina

My Commission Expires: 5/8/2016

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2008-49-C

IN RE:

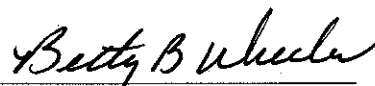
Application of FRC, LLC, for a Certificate of)	
Public Convenience and Necessity to Provide)	CERTIFICATE
Local Exchange and Exchange Access Services)	OF
throughout the State of South Carolina and)	SERVICE
Request for Flexible Regulation)	

This is to certify that I, Betty B. Wheeler, have this date served one (1) copy of the above referenced **Amended Verified Testimony of W. Grey Humphrey, Jr.** to the person named below by causing said copies to be **hand-delivered** and addressed as shown:

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Betty B. Wheeler

May 2, 2008
Columbia, South Carolina